
HOUSE BILL No. 1280

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-33-12-7; IC 4-35-8; IC 21-12-10.

Synopsis: LIFE scholarships. Establishes the Indiana lifelong learning incentive for excellence (LIFE) scholarship program to provide scholarships to Indiana residents for postsecondary education. Provides for administration of the program by the state student assistance commission. Sets forth the amount of a scholarship award, subject to appropriations of the general assembly. Provides eligibility criteria for potential recipients. Establishes the LIFE scholarship fund consisting of slot machine wagering taxes collected after June 30, 2010, and riverboat admissions taxes that would have otherwise been deposited into the state general fund as slot machine revenue to replace the admissions tax subsidy for horse racing. Makes an appropriation.

Effective: July 1, 2010.

Klinker

January 12, 2010, read first time and referred to Committee on Public Policy.

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Second Regular Session 116th General Assembly (2010)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2009 Regular and Special Sessions of the General Assembly.

HOUSE BILL No. 1280

A BILL FOR AN ACT to amend the Indiana Code concerning education and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 4-33-12-7, AS ADDED BY P.L.233-2007,
2 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2010]: Sec. 7. (a) The maximum amount paid to the Indiana
4 horse racing commission under this article in a state fiscal year may not
5 exceed the remainder of:
6 (1) the Indiana horse racing commission's base year revenue as
7 determined under section 6(h) of this chapter; minus
8 (2) the amount of money, if any, distributed by licensees under
9 IC 4-35-7-12 to horsemen's associations and for horse racing
10 purses and breed development in the state fiscal year.
11 (b) For each state fiscal year, the treasurer of state shall pay an
12 amount equal to the lesser of:
13 (1) the amount of admissions taxes specified in:
14 (A) section 6(b)(6) of this chapter; and
15 (B) section 6(d)(7) of this chapter; or
16 (2) the amount of money distributed under IC 4-35-7-12 that is
17 subtracted from the Indiana horse racing commission's base year



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revenue under subsection (a);
to the ~~state general~~ **LIFE scholarship** fund established by IC 4-35-8-5
instead of to the Indiana horse racing commission.

SECTION 2. IC 4-35-8-3, AS AMENDED BY P.L.146-2008,
SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2010]: Sec. 3. The department shall deposit tax revenue
collected under section 1 of this chapter ~~in the state general fund~~; as
follows:

(1) **In the state general fund for taxes collected before July 1,
2010.**

(2) **In the LIFE scholarship fund for taxes collected after June
30, 2010.**

SECTION 3. IC 4-35-8-5 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2010]: Sec. 5. (a) **The LIFE scholarship fund is established. The
fund consists of:**

(1) **riverboat admissions taxes deposited in the fund under
IC 4-33-12-7; and**

(2) **slot machine wagering taxes deposited in the fund under
section 3(2) of this chapter.**

(b) **The treasurer of state shall administer the LIFE scholarship
fund.**

(c) **The treasurer of state shall invest the money in the LIFE
scholarship fund not currently needed to meet the obligations of
the fund in the same manner as other public funds may be invested.**

(d) **Money in the LIFE scholarship fund at the end of a state
fiscal year does not revert to the state general fund.**

(e) **Money in the LIFE scholarship fund is annually
appropriated to the state student assistance commission to provide
LIFE scholarships under IC 21-12-10.**

SECTION 4. IC 21-12-10 IS ADDED TO THE INDIANA CODE
AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2010]:

**Chapter 10. Indiana Lifelong Learning Incentive for Excellence
(LIFE) Scholarship**

**Sec. 1. As used in this chapter, "academic year" means a period,
typically nine (9) months, in which a full-time student is expected
to complete the equivalent of at least two (2) semesters or three (3)
quarters of academic work.**

**Sec. 2. As used in this chapter, "eligible high school" means a
secondary school located in Indiana that is a:**

(1) **public school; or**

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(2) nonpublic school that voluntarily seeks and receives accreditation as authorized by IC 20-19-2-8.

Sec. 3. As used in this chapter, "eligible postsecondary educational institution" means a school that meets the following conditions:

(1) Operates in Indiana as:

(A) a state educational institution;

(B) a nonprofit private educational institution; or

(C) a for-profit private proprietary educational institution.

(2) Provides an organized program of postsecondary education leading to:

(A) a technical certificate;

(B) a nursing diploma;

(C) an associate degree; or

(D) a baccalaureate degree.

(3) Is accredited by:

(A) a recognized national or regional accrediting agency;

(B) the Indiana commission on proprietary education; or

(C) the Indiana state board of nursing.

Sec. 4. As used in this chapter, "freshman student" means a student at a postsecondary educational institution who has attempted less than forty-six (46) quarter hours or less than thirty-one (31) semester hours.

Sec. 5. As used in this chapter, "full-time student" means a matriculated student attending a postsecondary educational institution and enrolled for the equivalent of at least twelve (12) quarter or semester hours.

Sec. 6. As used in this chapter, "grade point average" means the numbered grade average calculated using a 4.0 scale or the equivalent.

Sec. 7. As used in this chapter, "LIFE scholarship" means a lifelong learning incentive for excellence scholarship for postsecondary education awarded under this chapter.

Sec. 8. As used in this chapter, "matriculated status" means being recognized as a student in a defined program of study leading to a degree, diploma, or certificate at a postsecondary educational institution.

Sec. 9. As used in this chapter, "program" refers to the LIFE scholarship program.

Sec. 10. As used in this chapter, "quarter hours" includes each quarter hour attempted, whether remedial or for credit toward a degree. However, the term does not include a quarter hour

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attempted or completed before graduating from high school or earning a general educational development (GED) equivalency diploma.

Sec. 11. As used in this chapter, "semester hours" includes each semester hour attempted, whether remedial or for credit toward a degree. However, the term does not include a semester hour attempted before graduating from high school or earning a general educational development (GED) equivalency diploma.

Sec. 12. As used in this chapter, "sophomore student" means a student at a postsecondary educational institution who has attempted at least forty-six (46) quarter hours but less than ninety-one (91) quarter hours or at least thirty-one (31) semester hours but less than sixty-one (61) semester hours.

Sec. 13. As used in this chapter, "Title IV" refers to Title IV of the federal Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

Sec. 14. The lifelong learning incentive for excellence (LIFE) scholarship program is established.

Sec. 15. The commission shall do the following:

- (1) Administer the program.
- (2) Subject to this chapter, determine eligibility, residency, policy issues, and definitions for the program.
- (3) Identify individuals who are eligible to participate in the program.
- (4) Pay a student's scholarship amount directly to the eligible postsecondary educational institution that a scholarship recipient attends.
- (5) Subject to the amounts appropriated by the general assembly for LIFE scholarships and to the requirements of this chapter, determine the scholarship amount for each scholarship recipient.
- (6) Adopt rules under IC 4-22-2 to administer the program.

Sec. 16. Subject to the amount appropriated by the general assembly for purposes of this chapter, the commission shall provide a LIFE scholarship to eligible students in the following amounts:

- (1) For a student who attends an eligible postsecondary educational institution that is a state educational institution, an amount that equals the sum of the following for any academic year:
 - (A) The student's actual tuition.
 - (B) The student's actual approved mandatory fees that are charged by the student's postsecondary educational

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institution to every student enrolled in the institution,
regardless of a student's program of study.

(2) For a student who attends an eligible postsecondary educational institution that is a nonprofit private institution, an amount that equals the sum of the following for any academic year:

(A) An amount equal to the average tuition at the four (4) postsecondary state educational institutions having the highest tuition.

(B) An amount equal to the average mandatory fees that are charged at the state educational institutions described in clause (A) to every student enrolled in the institution, regardless of a student's program of study.

(3) For a student who attends an eligible postsecondary educational institution that is a for-profit private proprietary institution, an amount that equals the sum of the following for any academic year:

(A) An amount equal to the tuition at Ivy Tech Community College.

(B) An amount equal to the average mandatory fees that are charged at Ivy Tech Community College to every student enrolled in Ivy Tech Community College, regardless of a student's program of study.

Sec. 17. In addition to the other requirements of this chapter, a student must meet the following requirements to be eligible to receive a LIFE scholarship under this chapter:

(1) Be a United States citizen or a permanent resident alien of the United States who meets the definition of an eligible noncitizen under federal Title IV requirements.

(2) Be a legal resident of Indiana as determined by the commission.

(3) Comply with United States Selective Service System requirements for registration, if such requirements are applicable to the student.

(4) Not be in default on a federal Title IV educational loan or a state of Indiana educational loan. However, a student who is otherwise eligible and who fully repays a defaulted loan is eligible to obtain a scholarship or grant for future academic terms, but not retroactively.

(5) Not owe a refund on a federal Title IV student financial aid program or an Indiana student financial aid program. However, a student who is otherwise eligible and who fully

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repays an owed refund is eligible to obtain a scholarship or grant for future academic terms, but not retroactively.

(6) Not be convicted of a felony offense involving marijuana, a controlled substance, or a dangerous drug. Ineligibility under this subdivision extends from the date of conviction to the completion of the next academic term following the date of conviction.

(7) Not be incarcerated.

(8) Meet each qualification in this chapter relating to the relevant scholarship applicable to the student.

Sec. 18. To be eligible for a LIFE scholarship, an entering freshman student seeking an associate or baccalaureate degree at an eligible postsecondary educational institution must meet the following requirements:

(1) Meet achievement standards by doing one (1) of the following:

(A) Graduating from an eligible high school.

(B) Receiving an Indiana general educational development (GED) diploma.

(C) Earning a cumulative grade point average of at least 3.0 at an eligible postsecondary educational institution at the end of the quarter or semester in which the student has attempted forty-five (45) quarter hours or thirty (30) semester hours and completing a nonaccredited nonpublic instruction program that a parent establishes, organizes, and directs for the education of the parent's child. However, a student described in this clause is eligible to receive only a retroactive LIFE scholarship for the student's freshman year to be paid directly to the student's parent at the end of the student's freshman year.

(D) Graduating from a high school that is not an eligible high school and earning a cumulative grade point average of at least 3.0 at an eligible postsecondary educational institution at the end of the quarter or semester in which the student has attempted forty-five (45) quarter hours or thirty (30) semester hours. However, a student described in this clause is eligible to receive only a retroactive LIFE scholarship for the student's freshman year to be paid to the student's parent at the end of the student's freshman year.

(2) Meet enrollment standards by being admitted, enrolled, and classified as an undergraduate student in a matriculated

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1 status.

2 **Sec. 19. To be eligible for a LIFE scholarship, a sophomore**
 3 **student seeking an associate or baccalaureate degree at an eligible**
 4 **postsecondary educational institution must do the following:**

5 (1) **Meet achievement standards by meeting the following**
 6 **criteria:**

7 (A) **Earn a cumulative grade point average of at least 3.0**
 8 **or the equivalent at a postsecondary educational institution**
 9 **at the end of the quarter or semester in which the student**
 10 **has attempted forty-five (45) quarter hours or thirty (30)**
 11 **semester hours.**

12 (B) **Maintain satisfactory academic progress in a course of**
 13 **study in accordance with the standards and practices used**
 14 **for federal Title IV programs by the postsecondary**
 15 **educational institution in which the student is enrolled.**

16 (2) **Meet enrollment standards by being admitted, enrolled,**
 17 **and classified as an undergraduate student in a matriculated**
 18 **status or, in the case of an otherwise eligible student who is**
 19 **classified as a professional level student rather than an**
 20 **undergraduate student, being accepted into the professional**
 21 **level program of study before receiving a baccalaureate**
 22 **degree.**

23 **Sec. 20. For a student eligible for a LIFE scholarship under this**
 24 **chapter, no minimum number of hours of enrollment is required.**
 25 **However, the commission may adjust the amount of the**
 26 **scholarship to reflect the number of hours of enrollment.**

27 **Sec. 21. A student who fails to maintain a cumulative grade**
 28 **point average of at least 3.0 or the equivalent at the end of the**
 29 **quarter or semester in which the student has attempted forty-five**
 30 **(45) quarter hours or thirty (30) semester hours but who regains**
 31 **a cumulative grade point average of at least 3.0 at the end of the**
 32 **quarter or semester in which the student has attempted ninety (90)**
 33 **quarter hours or sixty (60) semester hours and who is otherwise**
 34 **eligible may requalify for a LIFE scholarship.**

35 **Sec. 22. A student may receive a LIFE scholarship until the**
 36 **student attempts at any postsecondary educational institution a**
 37 **total of ninety-one (91) quarter hours or sixty-one (61) semester**
 38 **hours.**

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